

MINUTES OF COUNCIL MEETING
MAY 24, 2007
6:30 P.M.

The Murray City Council met in regular session on Thursday, May 24, 2007, at 6:30 p.m. in the Council Chambers of City Hall, with Mayor Rushing presiding.

Council Members Present: Danny Hudspeth, Jason Pittman, Pete Lancaster, Jeremy Bell, Dan Miller, Linda Cherry, Robert Billington, David Ramey, Jane Brandon, Butch Seargent, Pat Scott, and Bill Wells.

Council Members Absent: None.

Staff Present: Ken Claud, Michael Skinner, J. L. Barnett, Don Rogers, Thomas Clendenen, Dennis Thompson, Candace Dowdy, Philip Morris, Carol Roberts, Matt Mattingly, Gail Mullins, Harla McClure, and Warren Hopkins.

Minutes of the council meeting held May 10, 2007, were presented for approval. **Mr. Pittman moved, seconded by Mr. Scott**, to approve the minutes as written. With no discussion, Mayor Rushing called for a voice vote, which was unanimous in favor of the motion.

Mayor Rushing entertained a motion to open the public hearing for the purpose of obtaining written or oral comments regarding the proposed use of Municipal Aid Funds and LGEA Funds for FY 07-08. **Mr. Billington moved, seconded by Dr. Miller** to open the public hearing for comments. Mayor Rushing called for the voice vote which was unanimous in favor of the motion. With no comments from the public, **Dr. Miller moved, seconded by Mr. Billington** to close the public hearing. Mayor Rushing called for the voice vote which was unanimous in favor of the motion.

Mayor Rushing entertained a motion to open the public hearing for the purpose of obtaining written or oral comments regarding the proposed budget for the City of Murray for FY 07-08. **Mr. Bell moved, seconded by Mr. Lancaster** to open the public hearing for comments. Mayor Rushing called for the voice vote which was unanimous in favor of the motion. With no comments from the public, **Mr. Pittman moved, seconded by Mr. Lancaster** to close the public hearing. Mayor Rushing called for the voice vote which was unanimous in favor of the motion.

The Mayor then presented his budget message as follows:

To: Council - City of Murray, Kentucky

From: H. Thomas Rushing

Date: May 24, 2007

Re: 2007 - 2008 Budget Proposal

In accordance with Kentucky Revised Statute 91A.030, the Annual City Budget Report for the City of Murray, Kentucky for the fiscal year ending June 30, 2008, is hereby submitted.

Herewith I am presenting to you this budget message and attached budget proposal for the Fiscal Year 2007 - 2008 so as to comply with all the statutes.

Appreciation is extended to the Finance Committee and Department Heads who have devoted their time and efforts in developing a sound financial plan. It is my desire that the Budget provides all citizens with a high quality of municipal services which is both efficient and effective. Murray has in past years been well-governed, well-managed and fiscally sound. I hope to keep in place these past traditions to insure community pride. This budget report indicates sufficient financial resources to maintain current levels of services without any reductions in personnel or programs.

The compiled budget for all city operations shows available funds of \$36,218,847. This represents a decrease of 2% or \$626,891 less than the prior year's total city operations. The decrease in budget comparisons is mainly due to changes in two fund areas. The new budget is decreased in the Special Grant funds by \$1,590,700 due to the finalization of water and sewer grant projects in FY06-07. The Natural Gas System funds are increased by \$684,700 due to increases in natural gas market prices.

The budget has set forth these primary objectives to be accomplished in the next year:

- 1) A base salary increase for all employees will be set at 2.56% for cost of living allowances.
- 2) Additional funds will be available for performance increases and salary adjustments. The Mayor will determine all salary increases. The Mayor will consider recommendations from department heads. The total allocation available for the General Fund and Utility Funds will be \$64,450.
- 3) Minimum salary entry levels and maximum levels for each grade in the pay classification plan will be adjusted by the cost of living allowance of 2.56%. The starting salary for a new certified and sworn police officer and fire fighter will be set at \$24,614.
- 4) In the pay classification plan, the position of Administrative Assistant for Public Works will be fully funded. A part-time position was created last year. That position will be eliminated and the full-time position will be filled.
- 5) The City's Health Insurance Committee has not finalized its recommendation for any premium cost increases to the City or employees. The increases made effective April 1, 2007, are still

considered in force for the new year. In addition, budget amounts for health insurance costs will be increased by 5% in case rate increases are implemented.

- 6) Employee benefit costs will experience increases in the cost of retirement benefits. The CERS Hazardous employer rate will increase from 28.21% to 33.87%. The CERS Non-Hazardous employer rate will increase from 13.19% to 16.17%. These increases are mandated by the State.
- 7) The City will continue the Christmas gift of \$25 Chamber Dollars for employee recognition of services.
- 8) The School Resource Officer grant funds will be fully expended by August 2007. The City's grant obligation at Murray High School extends through the first of August 2007. The City's grant obligation at Murray Middle School extends through the first of February 2008.
- 9) In order to continue the same level of services for the citizens of Murray that has been received in prior years, property taxes will be set as allowed under HB44 for 4% growth.
- 10) The City will attempt to maintain the policy of limiting expenditure growth to the same level of anticipated revenue growth. This keeps the City from budgeting a growing expenditure base that out paces possible revenue projections.
- 11) The City will maintain the current level of funding for the City's Police & Firemen's old pension fund. Currently the P & F receives 1.65 cents/\$100 of property tax value for funding.
- 12) The largest capital projects during the year will be in the Sewer System. The finalization of the bio-solids treatment process for sludge is planned for a total estimated cost of \$2,039,000. The City received \$1,215,000 in State funds for this project. The second largest project is the sewer construction for the Southwest annexed area for a total estimated cost of \$1,095,000.
- 13) A policy to use E911 generated funds to help defray associated dispatcher costs along with telephone and radio communication costs will be continued. The amount designated for personnel costs is \$25,000.
- 14) Expansion to undeveloped property owned by the City in the Cemetery will allow the City to have more lots for sale. Expected costs are to be approximately \$15,000.

The Fiscal Year 2007-2008 Budget recommended for your approval represents a realistic and sound budget. The City monitors all departments to assure compliance within budget parameters. Internal controls along with various checks and balances are emphasized to insure proper accounting of receipts and disbursements. We want to assure our tax and service payers that proper stewardship of the public funds is our first concern.

In closing, I wish to express our appreciation to you for your continued support of our efforts in serving the citizens of Murray.

Ordinance Number 2007-1442 (first reading) an Ordinance adopting the City of Murray, Kentucky Annual Budget for the period July 1, 2007, through June 30, 2008, by estimating revenues and appropriating funds for the operations of City government was presented to the council on a first reading. **Mr. Billington moved, seconded by Mr. Lancaster** to approve said ordinance. With no discussion, Mayor Rushing called for the roll call vote, which is recorded as follows:

AYES: Danny Hudspeth, Pete Lancaster, Jason Pittman, Jeremy Bell, Dan Miller, Jane Brandon, Linda Cherry, Robert Billington, David Ramey, Butch Seargent, Pat Scott, and Bill Wells.

NAYS: None.

Mayor Rushing declared Ordinance Number 2007-144 approved on a first reading.

Mayor Rushing recognized Lindsey Geib, City of Murray Tourism Commission Director. Ms. Geib stated that the Murray Tourism Board received a request from the Murray Calloway County Parks System to fund a \$20,000 grant so that the Park could become sanctioned for disc golf. Ms. Geib stated that after hearing the request from Matt Martin, Park Director, they voted to recommend to the council that they approve a \$10,000 grant out of the City of Murray Tourism Escrow Account for the disc golf course. **Mr. Pittman moved, seconded by Mr. Bell** to approve the recommendation from the Murray Tourism Commission Board and grant the Murray Calloway County Park System \$10,000 to assist them in becoming sanctioned for disc golf. With no further discussion, Mayor Rushing called for the roll call vote which is recorded as follows:

AYES: Danny Hudspeth, Pete Lancaster, Jason Pittman, Jeremy Bell, Dan Miller, Jane Brandon, Linda Cherry, Robert Billington, David Ramey, Butch Seargent, Pat Scott, and Bill Wells.

NAYS: None.

Mayor Rushing declared the recommendation approved.

Ordinance Number 2006-1339 (second reading) an ordinance annexing a 16.050 acre tract of land located at 1641 Wiswell Road West and owned by The Grove of Murray, LLC was presented to the council on a second reading. The Murray Planning Commission recommended said annexation based on the following findings: 1) the property is contiguous to the city boundaries to the east and west; 2) city utility services are already available to the property; 3) opportunity to close a city/county gap for 911 purposes; 4) property falls within the Urban Services Area for the City of Murray. **Mr. Hudspeth moved, seconded by Mr. Lancaster** to adopt said ordinance. With no discussion, Mayor Rushing called for the roll call vote which is recorded as follows:

AYES: Danny Hudspeth, Pete Lancaster, Jason Pittman, Jeremy Bell, Dan Miller, Jane Brandon, Linda Cherry, Robert Billington, David Ramey, Butch Seargent, Pat Scott, and Bill Wells.

NAYS: None.

Mayor Rushing declared Ordinance Number 2007-1339 adopted on the second reading and recorded in Ordinance Book Number 7, Page ____.

Ordinance Number 2007-1441 (second reading) an ordinance zoning as R-2 (single family residential) property located at 1641 Wiswell Road West and owned by The Grove of Murray, LLC was presented to the council for a second reading. This 16.050 acre tract of land received said recommendation based on the following findings of fact: 1) the proposed zoning is in line with the future land use map; 2) the adjacent property to the east and west is in the city limits and zoned R-2; 3) the property owner requested R-2 zoning as the property is used for single family residential living. **Mr. Billington moved, seconded by Mr. Lancaster** to adopt said ordinance.

With no discussion, Mayor Rushing called for the roll call vote which is recorded as follows:

AYES: Danny Hudspeth, Pete Lancaster, Jason Pittman, Jeremy Bell, Dan Miller, Jane Brandon, Linda Cherry, Robert Billington, David Ramey, Butch Seargent, Pat Scott, and Bill Wells.

NAYS: None.

Mayor Rushing declared Ordinance Number 2007-1441 adopted on a second reading and recorded in Ordinance Book Number 7, Page ____.

Recommendation from Murray Planning Commission authorizing the city attorney to draft an ordinance rezoning a 1.827 acre tract of land located at 1003 North 4th Street and owned by Vicki Jo Brandon from R-2 (single family residential) to PO (professional office) was

presented to the council for approval. The Planning Commission recommended said rezoning based on the finding that there have been significant changes in the area of an economic, physical, and social nature that was not anticipated in the community's comprehensive plan which have substantially altered the basic character of the area in particular the Bee Creek Soccer Complex and the Government and Industrial zoning surrounding the area. **Mr. Pittman moved, seconded by Mr. Billington** to approve said recommendation. With no discussion, Mayor Rushing called for the roll call vote which is recorded as follows:

AYES: Danny Hudspeth, Pete Lancaster, Jason Pittman, Jeremy Bell, Dan Miller, Jane Brandon, Linda Cherry, Robert Billington, David Ramey, Butch Seargent, Pat Scott, and Bill Wells.

NAYS: None.

Mayor Rushing declared said recommendation approved.

Recommendation from Murray Planning Commission authorizing the city attorney to draft an ordinance annexing a 1.472 acre tract of land and a 0.152 portion of right-of-way located at 170 Utterback Road was presented to the council for approval. Said property is owned by Keith and Hazel Brandon and received said recommendation based on the following findings: 1) the property is eligible for annexation since it is contiguous to the city boundaries to the east and west; 2) city utility services are already available to the property; and 3) the property falls within the Urban Services Area for the City of Murray. **Mr. Scott moved, seconded by Mr. Lancaster** to approve said recommendation. With no discussion Mayor Rushing called for the roll call vote which is recorded as follows:

AYES: Danny Hudspeth, Pete Lancaster, Jason Pittman, Jeremy Bell, Dan Miller, Jane Brandon, Linda Cherry, Robert Billington, David Ramey, Butch Seargent, Pat Scott, and Bill Wells.

NAYS: None.

Mayor Rushing declared said recommendation approved.

Mayor Rushing recognized Pat Scott, Chairman of the cemetery committee and requested that he provide a report. Mr. Scott stated the committee met in executive session and that there would not be a report at this time.

Mayor Rushing recognized Robert Billington, Chairman of the Public Works Committee and requested that he provide a report. Mr. Billington stated that the committee met to review bids received for Safe Routes to School sidewalk construction. The following bids were received:

Falwell Construction	\$53670.00
Krieb Concrete Construction Company	\$48563.00

Mr. Billington moved, as unanimously recommended by the Public Works Committee, to accept the bid of Krieb Concrete Construction Company in the amount of \$48,563.00. **Mr. Scott seconded the motion.** With no further discussion, Mayor Rushing called for the voice vote which was unanimous in favor of the motion.

Mr. Wells provided the following information on the Make a Difference Day held May 19th: 150 pounds of batteries; 210 eyeglasses; 165 pounds of oil; 764 inkjet cartridges; 1000 pounds of clothes; 1000 pounds of aluminum cans; 20 cell phones; 20 tons of paper; and 144 thermometers. Mr. Wells stated the next Make a Difference Day will be held August 4th.

With no further business to come before the council, the meeting adjourned at 7:00 p.m.

H. Thomas Rushing, Mayor

Attest:

Harla McClure, City Clerk